

Minutes of the Chicopee Retirement Board monthly meeting held on June 11, 2015 at 2:00 p.m. in the Auditor's Conference Room.

Present: Members O'Shea, Mackechnie, Riley and Boronski.

Absent: Member Montcalm / Deceased

Also Present: Jeff Gendron from Scanlon & Associates; Terry Gerlich, Andy Daly and John Waite from SEI Investments, and Paul Todisco from PRIM.

The Chairman called the regular meeting to order at 2:00 p.m.

**GASB 67/68 DISCUSSION:** Jeff Gendron from Scanlon & Associates was present to discuss GASB 67/68. He explained what will be involved in implementing GASB 67/68 and the new requirements. He will be working with the retirement board staff and board actuary to assure that the required accounting changes are implemented according to the new guidelines. The board thanked Mr. Gendron for his informative presentation.

**MANAGER PERFORMANCE REVIEW/SEI INVESTMENTS:** Terry Gerlich was present to discuss the investments held with SEI Investments, and gave the board a booklet with the SEI Investments' information dated June 11, 2015. He reiterated the potential volatility in the market and stated that International Equities are currently doing better than Domestic Equities. He gave a brief outlook on the market and reviewed the asset classes and went over the year to date return through March 31, 2015. He also reviewed the performance of the investments compared to the individual benchmarks of the asset classes. John Waite went over an asset and liability study and made some recommendations, by using data from the board's actuarial report and investment performance. He went over model portfolios with the board and one recommendation would be to invest in the Energy Debt Strategy Fund. Andy Daly was present to give an overview and discuss this new fund, the Energy Debt Strategy Fund, which would help increase diversification as well as returns. The board thanked Mr. Gerlich, Mr. Daly and Mr. Waite for their presentation.

**MANAGER PERFORMANCE/PRIM:** Paul Todisco was present to discuss the PRIT Core Real Estate Funds and the PRIT Hedge Funds. He provided the board with a Performance Review Information booklet dated June 11, 2015. Mr. Todisco updated the board on PRIM's board and committees, as well as any personnel changes. We received information on the asset allocation targets, and he gave an outlook on each asset class. Mr. Todisco reviewed both funds' performance through April 30, 2015 compared to the benchmarks. He will continue to update the Board on the monthly performance. The Board thanked Mr. Todisco for his presentation.

A motion was made by Ms. Riley and seconded by Ms. Boronski to go into Executive Session as per M.G.L Chapter 30A Section 21 for the purpose of discussing the physical condition of two individuals. The board will then reconvene in open session. A roll call vote was taken as follows: Mr. Mackechnie, "yes", Ms. Boronski, "yes", Ms. Riley, "yes", and Mr. O'Shea, "yes".

At 3:23 p.m. the meeting went into executive session. The board will reconvene in open session after the executive session.

At 3:36 p.m. the board reconvened in open session.

**An involuntary retirement allowance application was received for the following person according to statute:**

Jason Tuynman, Police Department

After discussion and reviewing the statutory provisions for this retirement request, a motion was made by Ms. Boronski and seconded by Ms. Riley to approve this request for retirement and to send it to PERAC for their approval. **ALL IN FAVOR**

**The following person made a request for an accidental disability retirement allowance according to statute:**

Dino Facchini, DPW-Highway Department

After discussion and reviewing the reports and the statutory provisions for this retirement request, a motion was made by Ms. Riley and seconded by Ms. Boronski to approve this request for retirement and to send it to PERAC for their approval. **ALL IN FAVOR**

**BOARD MEMBER ELECTION:** It is with deep sorrow that the Chicopee Contributory Retirement System announces the passing of our board member, James R. Montcalm. Jim passed away on May 29, 2015. Jim served for 35 years on the Chicopee Fire Department and retired as a Deputy Chief. He was elected to the Retirement Board and served on the Board for 19 years. He will be greatly missed. At this time, it is necessary to hold an election. A motion was made by Mr. Mackechnie and seconded by Ms. Boronski to hold an election to fill the vacancy for the second elected members' representative for the remainder of the term, which expires on December 18, 2017. **ALL IN FAVOR** A motion was also made by Ms. Riley and seconded by Ms. Boronski to designate Mary Frisbie to serve as Election Officer. **ALL IN FAVOR** The following schedule has been set up: Notice to Departments 06/15/15, Notice to Retirees 06/15/15, Nomination Deadline 07/31/15, Election 09/16/15 from 8:00 a.m. to 6:00 p.m.

A motion was made by Ms. Boronski and seconded by Mr. Mackechnie to accept and approve the Minutes of the previous monthly meeting held on May 14, 2015. These minutes will be placed on file. **ALL IN FAVOR**

A motion was made by Ms. Riley and seconded by Mr. Mackechnie to accept and approve the executive session minutes of the meeting held on May 14, 2015. These minutes will be placed on file. **ALL IN FAVOR**

A motion was made by Ms. Boronski and seconded by Ms. Riley to concur with the payment of warrants 05/20/15, 05/21/15, 05/29/15 and approve monthly expense warrant 06/12/2015. **ALL IN FAVOR**

**The following person applied for membership in the system according to statute:**

Juan P. Maldonado, Jr.-Housing Authority

This member meets the membership requirements of the system. **A motion was made by Mr. Mackechnie and seconded by Ms. Riley to approve membership. ALL IN FAVOR**

**INVESTMENTS-PERFORMANCE REVIEW:** SEI Investments provided the board with the monthly report of their Investment Performance as of May 31, 2015. PRIM provided the board with the monthly report of their Investment Performance as of April 30, 2015.

**SCHEDULE OF BOARD MEETINGS:** The Retirement Board Meetings are normally held on the second Thursday of every month except for the following rescheduled meeting: 07/09/15 to 07/23/15. Any further changes will be updated monthly.

**ANNUAL DISCLOSURE FORMS:** SEI Investments sent additional information to PERAC and the Board in response to PERAC's request. Annual Disclosure forms are required to be filed yearly with PERAC.

**The following people made a request for a superannuation retirement allowance according to statute:**

Jeffrey Chmura, Police Department

Louis Cote, DPW-Parks Department

Bruce Gibb, Fire Department

Roy Landry, Police Department

Elizabeth Mekal, School Department

Patricia Nadeau, School Department

After discussion and reviewing the statutory provisions for these retirement requests, **a motion was made by Mr. Mackechnie and seconded by Ms. Riley to approve the requests for superannuation retirement. ALL IN FAVOR**

**The following people made a request for a refund according to statute:**

Sarah Delahanty-Strow, School Department

John Golonka, Council on Aging

John Grimaldi, Information Technology Department

Brian Miller, DPW - Sanitation

These refund requests were prepared for board approval after the refund requirements according to statute were reviewed. **A motion was made by Ms. Boronski and seconded by Mr. Mackechnie to approve these refund requests. ALL IN FAVOR**

**The following transfer to another system requests were received according to statute:**

Jason Clark, School Department

Shauna Sullivan, School Lunch Department

These transfer to another system requests were prepared for board approval after the requirements according to statute were reviewed. **A motion was made by Ms. Riley and seconded by Mr. Mackechnie to approve these transfer to another system requests. ALL IN FAVOR**

**The following request for Survivor Benefits-Beneficiary Distributions was received according to statute:**

Preston Micks – deceased

This survivor benefit-Beneficiary Distribution was presented to the board for approval after the statute provisions were reviewed. **A motion was made by Ms. Riley and seconded by Ms. Boronski to pay the benefits owed due to his death by operation of law. ALL IN FAVOR**

**The following request for Survivor Benefits was received according to statute:**

Glen Brodeur – deceased

This survivor benefit was presented to the board for approval and after the statute provisions were reviewed. **A motion was made by Mr. Mackechnie and seconded by Ms. Boronski to pay Section 101 Benefits by operation of law. ALL IN FAVOR**

**The following superannuation retirement allowance calculations were prepared for board approval according to statute:**

Edwin Crespo, Police Department

David Nardi, Police Department

Timothy O’Grady, Police Department

Stephen Pietras, Police Department

Floyd Laplante, Parks Department (Recalculation)

**A motion was made by Ms. Riley and seconded by Ms. Boronski to approve the superannuation retirement allowance calculations of these retirees. ALL IN FAVOR**

***GROUP CLASSIFICATIONS:*** A group classification of a position in the Electric Light Department was received and reviewed. After review, **a motion was made by Ms. Boronski and seconded by Ms. Riley to ask for more information from the Electric Light Department regarding this position. ALL IN FAVOR**

***COMPREHENSIVE MEDICAL EVALUATIONS:*** We received notice from PERAC that one retiree was evaluated for possible return to service under M.G.L. Chapter 32, Section 8. At this time, this retiree is unable to perform the duties of the job, but may be subject to future evaluations. No Board action is necessary at this time.

***REPORT ON 2015 NCPERS CONFERENCE:*** We received an update on issues that affect pension plans as well as an update on GASB issues. A panel of actuaries discussed the guidelines for funding policies, asset smoothing, amortization periods, as well as other matters regarding the funding of pension plans, including mortality tables. Economic outlooks were given, and one session discussed cyber risk extensively. NCPERS discussed a Code of Conduct to give to service providers of public sector plans. A comparison of defined benefit plans and defined contribution plans was given, and a legislative update was also given, which was made up of a few legal panels. An administrator’s forum was held to discuss issues that administrators are faced with on a daily basis, which included business continuity, cyber risk, as well as an overview of audits pertaining to the implementation of GASB 67/68.

**REPORT ON 2015 SPRING MACRS CONFERENCE:** A legal panel, which included PERAC representatives, spoke on recent relevant cases relating to current retirement issues, as well as speakers who discussed fiduciary duty regarding investments and public pension plans. We received an update on fiduciary insurance, as well as a legislative update which included an update on social security, cost of living, health care reform, proposed changes to Chapter 176 of the Acts of 2011, and the current ERL. Joe Connarton from PERAC discussed recent issues such as post retirement earnings for disability retirees, the ability to transfer information to vendors electronically, various legal cases, and current personnel changes.

**CONTINUITY PLAN:** A Continuity of Operations Plan has been prepared for the Chicopee Retirement System. This plan focuses on continuing the department's essential functions in case of any disaster or emergency. This would minimize the disruptions in the day to day operations. This information will be placed on file.

**REPORTS AND NOTICES:**

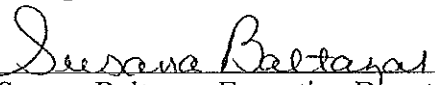
- Trial Balance Reports for the months of January, February and March
- Cash Receipts, Cash Disbursements, Journal Entries and General Ledger for the months of January, February and March
- Monthly Transfer Report for the month of May
- Warrants 04/10/2015, 05/20/2015, 05/21/2015, 05/29/2015
- PRIM-Investment Policy Statement
- PERAC Annual Report on Investments for 2014
- PERAC Correspondence-Bi-annual Review of Calculations for Board Accepting Waiver
- Correspondence from PERAC regarding SEC Investor Alert

These reports were reviewed and placed on file.

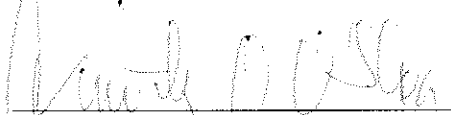
**NEW BUSINESS:** None

The next monthly meeting of the Board will be held on Thursday, July 23, 2015 at 2:00 p.m.

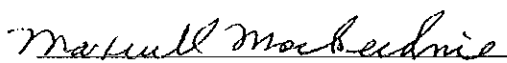
**A motion was made by Ms. Riley and seconded by Ms. Boronski to adjourn the meeting at 4:10 p.m. ALL IN FAVOR**

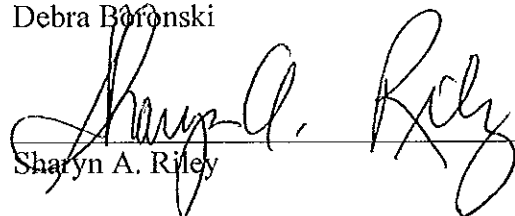
  
Susana Baltazar, Executive Director

**APPROVED: BOARD OF RETIREMENT**

  
Timothy O. O'Shea

  
Debra Boronski

  
Maxwell S. Mackechnie

  
Sharyn A. Riley